

**RESOLUTION
OF
THE BOARD OF DIRECTORS OF
SPRING VALLEY LAKE ASSOCIATION**

WHEREAS, it is the desire of the Board of Directors (“Board”) of the Spring Valley Lake Association (“Association”) to allow a delegated board member or agent to make certain contractual decisions with respect to the Safari Landscaping and Design (“Safari”) Meadowlark Park Renovation Agreement (“Contract”).

WHEREAS, California Civil Code Section 4155 generally prohibits the Board from taking action on items of Association business outside of the Board’s regularly scheduled meetings, except to the extent that such action has been “validly delegated to any other person or persons, managing, agent, officer of the [A]ssociation, or committee of the board comprising less than a majority of the directors.”

WHEREAS, California Corporations Code Section 7210 permits the Board to “delegate the management of the activities of the [association] to any person or persons, management company, or committee however composed, provided that the activities and affairs of the [association] shall be managed and all corporate powers shall be exercised under the ultimate direction of the board.”

WHEREAS, the Board believes it to be in the best interest of the Association to delegate the Board’s authority to _____, who is the Treasurer of the Association (hereinafter referred to as “Delegated Party”), to execute change orders under the Contract to the extent that the change order does not (1) materially change the Scope of Work under the Contract, and (2) exceed \$ 50% .00. Delegated Party is also authorized to approve the use of subcontractors under the Contract, provided, however, that any contract executed between Safari and the subcontractor shall first be submitted to the Association’s legal counsel for review. Such delegation is intended to ensure efficient and healthy operation of the Association and to prevent the foreseeable delay resulting from California Civil Code section 4155’s requirements.

IT IS HEREBY RESOLVED that the Board has, pursuant to California Civil Code section 4155 and California Corporations Code section 7210, delegated its authority to the Delegated Party to execute change orders under the Contract to the extent that the change order does not (1) materially change the Scope of Work under the Contract, and (2) exceed \$ 29622.50. Delegated Party is also authorized to approve the use of subcontractors under the Contract, provided, however, that any contract executed between Safari and the subcontractor shall first be submitted to the Association’s legal counsel for review.

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